



**STATE OF ALABAMA**  
ALABAMA PUBLIC SERVICE COMMISSION  
P.O. BOX 304260  
MONTGOMERY, ALABAMA 36130-4260

**April 30, 2009**

LUCY BAXLEY, PRESIDENT

JAN COOK, ASSOCIATE COMMISSIONER

SUSAN D. PARKER, PhD, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.

SECRETARY

**MEMORANDUM**

**TO:** Commissioner Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker

**THRU:** Judy McLean, Director *JMc*  
Advisory Division

**FROM:** Aquilla Spivey, Manager *AS*  
Consumer Services

**SUBJECT:** Monthly Commission Meeting

The following items will be presented to the Commission during the regular monthly meeting to be held on Tuesday, May 5, 2009:

**Monthly Activity Report of complaints, inquiries, meetings and field investigations.**

# Alabama Public Service Commission

Report Date: 5/1/2009

## Consumer Service Section

### Monthly Activity Report

Between 4/1/2009 And 4/30/2009

Utility Company Code	Needs Service	High Bills	Deposit	Service Problems	Payment Arrangement	Denied Toll	Slamming	Cramming	Billing Problems	Non-Pay Disconnect	900/Pay Per Call	No Jurisdiction	Other	Inquiries	Total
Alabama Power	2	3		9					10			1	5	58	88
Alagasco									2					12	14
Ardmore															
AT & T Southeast	1			33			1	1	16			2	4	15	73
Castleberry															
CenturyTel				2					1				1	7	11
Deltacom									1						1
Farmers															
Floral															
Frontier									1						1
Graceba															
Gulf															
Hayneville															
Knology of Valley															
MCI				1											1
Millry															
Mobile Gas Service														5	5
Mon-Cre															
Moundville															
National															
New Hope															
OTELCO															
Pine Belt															
Ragland															
Roanoke															
Sprint															
TDS Telecom															
Union Springs															
Windstream									1						1
Water Companies															
Local Resellers				5					1					4	10
Miscellaneous Inquiries															211
Misc Jurisdiction							1	11						7	19
900/Pay Per Call															
No Jurisdiction				4					3				5	14	26
Other															
Toll Resellers															
TOTALS	3	3		54			2	12	36			3	15	122	461

Field Investigations - 2

Meetings Held/Attended - 1



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**April 21, 2009**

### **MEMORANDUM**

**TO: President Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker**

**FROM: Janice M. Hamilton, Director  
Energy Division**

**SUBJECT: Agenda - May 5, 2009 Commission Meeting**

The Energy Division will present the following items at the May 5, 2009 Commission Meeting.

### **NATURAL GAS**

#### **ALABAMA GAS CORPORATION**

**Docket 18046 Division Report on Rate RSE as of March 31, 2009  
and  
18328**

#### **MOBILE GAS SERVICE CORPORATION**

**Docket 28101 Division Report on Rate RSE as of March 31, 2009**

**ELECTRICITY**

**ALABAMA POWER COMPANY**

**Docket** 18117 Division Report on Rate RSE and Rate ECR as of March 31, 2009  
and  
18416;  
18148

**Docket** 18005 Alabama Power Company filed a petition for approval of the thirtieth revision to Rate PAE (Purchase of Alternate Energy), filed on March 27, 2009, to become effective with the June 1, 2009 billings

**Recommendation:** Approval

**WATER**

**WATER WORKS, INC.**

**Docket** U-4923 Petition to Make a Rate Adjustment for Water Works, Inc.

**Recommendation:** Approval



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April 20, 2009

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JAN COOK, ASSOCIATE COMMISSIONER  
SUSAN D. PARKER, PhD, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.  
SECRETARY

**MEMORANDUM**

To: President Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker

Through: Janice M. Hamilton, Director  
Energy Division

From: Robert E. Reed, Manager  
Natural Gas Section

Subject: Division Report on Rate RSE for Alabama Gas Corporation as of March 31, 2009

As part of the Division's monitoring function, the staff has developed the return on average common equity for Alabama Gas Corporation for the twelve months ending March 31, 2009.

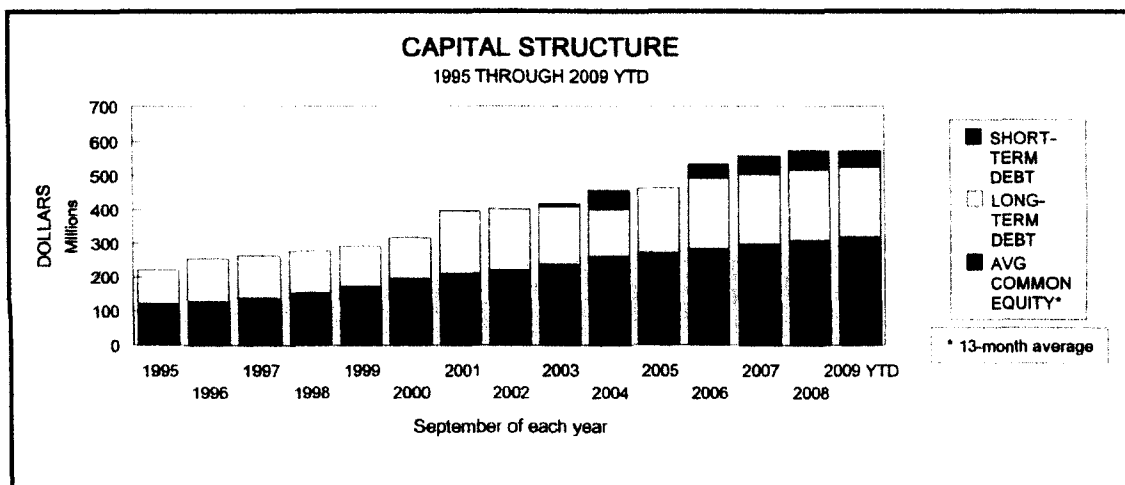
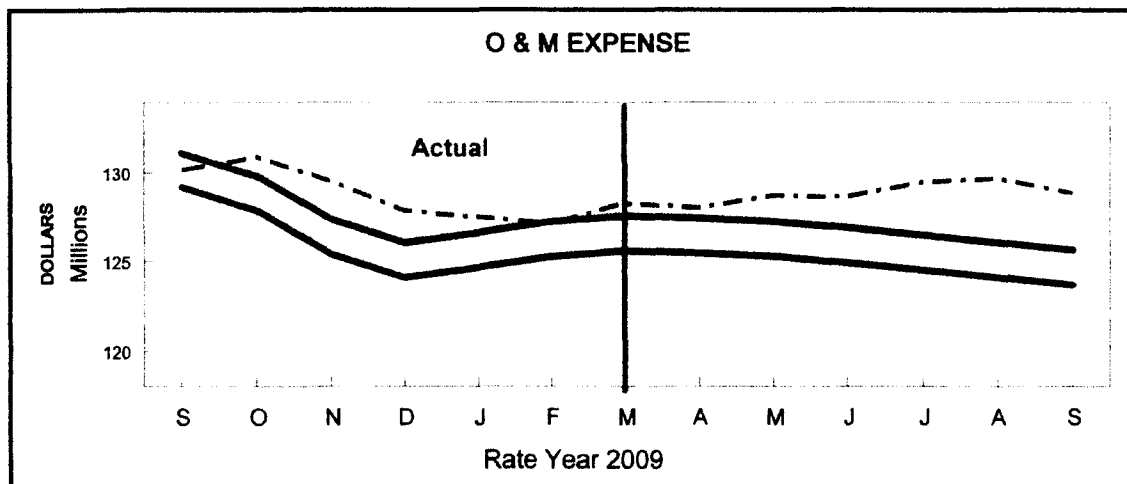
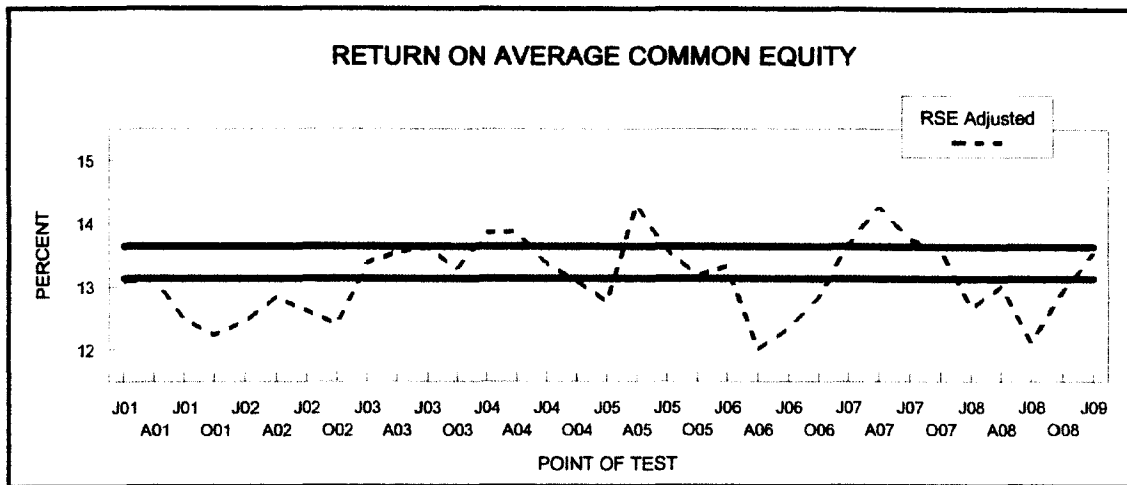
Based on preliminary figures, the return on average common equity for financial reporting purposes for the twelve months ending March 31, 2009, is 13.8 percent. When club dues, donations, and lobbying expenses are added, the RSE return is 14.0 percent.

Return on Equity at March 2009		
	Financial	RSE
Average Common Equity	\$317,629,930	<del>\$317,629,930</del>
Net Income	\$43,964,863	<del>\$43,964,863</del>
Net Expense Adjustment		<del>\$407,647</del>
RSE Net Income		<del>\$44,372,510</del>
RSE Return on Common Equity	13.84%	<del>13.97%</del>

Attachment:

# ALABAMA GAS CORPORATION

March 2009





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April 20, 2009

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SECRETARY

**MEMORANDUM**

To: President Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker

Through: Janice M. Hamilton, Director  
Energy Division

From: Robert E. Reed, Manager  
Natural Gas Section

Subject: Division Report on Rate RSE for Mobile Gas Service Corporation as of March 31, 2009

As part of the Division's monitoring function, the staff has developed the return on average common equity for Mobile Gas Service Corporation for the twelve months ending March 31, 2009.

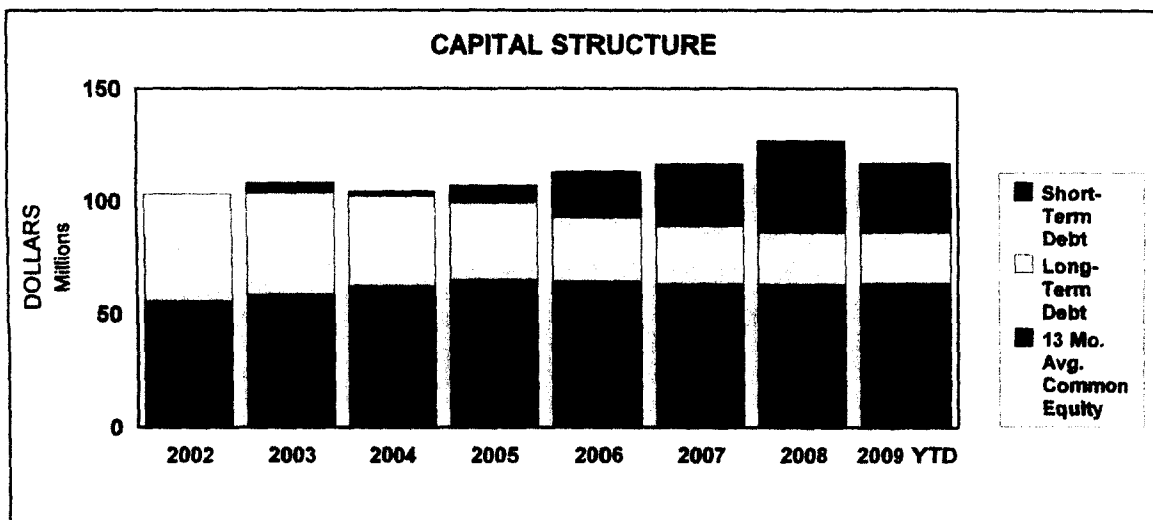
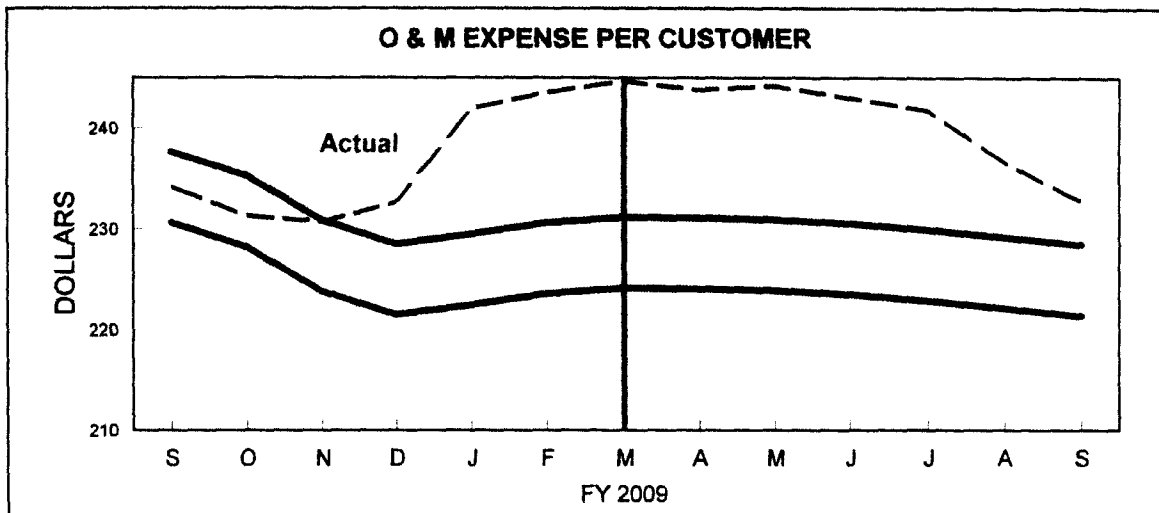
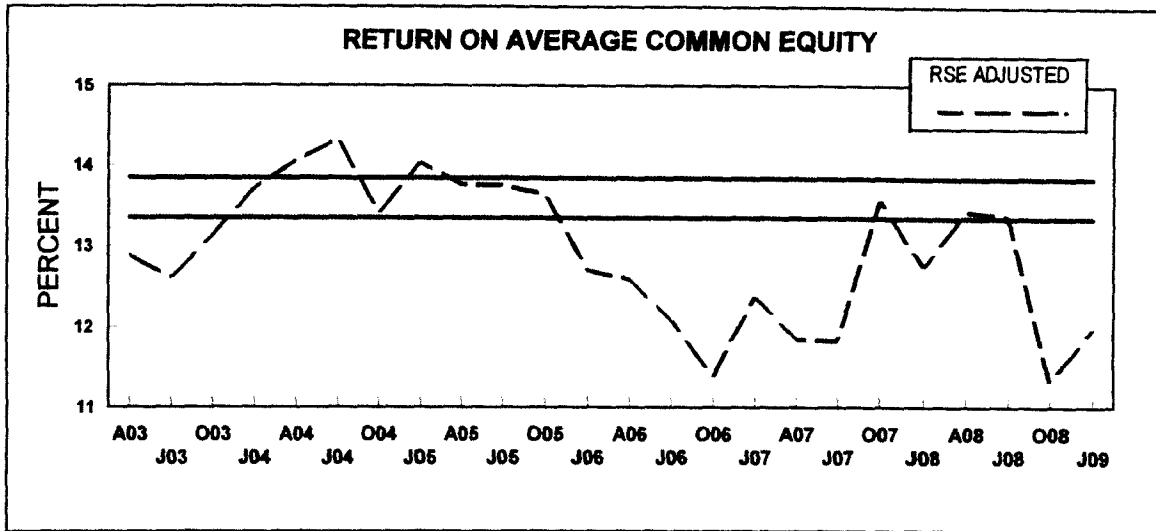
Based on preliminary figures, the return on average common equity for financial reporting purposes for the twelve months ending March 31, 2009, is 12.2 percent. When club dues, donations, and lobbying expenses are added, the RSE return is 12.4 percent.

Return on Equity at March 2009		
	Financial	RSE
Average Common Equity	\$63,561,998	\$63,561,998
Net Income	\$7,728,966	\$7,728,966
Net Expense Adjustment		\$125,650
RSE Net Income		\$7,854,616
RSE Return on Common Equity	12.16%	12.36%

Attachment:

# MOBILE GAS SERVICE CORPORATION

March 2009







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April 21, 2009

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WALTER L. THOMAS, JR.  
SECRETARY

**MEMORANDUM**

TO: President Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker

THROUGH: Janice M. Hamilton, Director  
Energy Division

FROM: John D. Free, Manager  
Electricity Section

SUBJECT: Division Report on Rate RSE and Rate ECR for Alabama Power Company as of  
March 31, 2009

The Energy Division performed the regular monthly examination of the books and records of Alabama Power Company. The financial highlights are presented in the tables below.

<b>Rate RSE Forecast</b>
12 Months Ending DECEMBER 31, 2009
12.92%

<b>Rate ECR Summary</b>	
Recovery for MARCH 2009	Balance as of MARCH 31, 2009
\$52,791,864 Over-Recovered	\$189,002,644 Under-Recovered

The attached report, prepared for review by the Commission, presents the Energy Division's computations and determinations of the December 2009 Retail Return on Average Common Equity. In addition, the current and projected status pertaining to the accumulated Over and Under Recovery for Rate ECR is presented.

JDF  
Attachments

ENERGY DIVISION

**Alabama Power Company  
Forecast of Retail Return on Average Common Equity  
For the 12 Months Ending December 31, 2009**

Common Equity as of March 31, 2009		\$4,889,380,148
Add Budgeted Net Income:		
April through December 2009	\$546,081,000	
Add Budgeted Capital Contributions:		
April through December 2009	\$289,942,000	
Add Other Adjustments:		
April through December 2009	<u>\$1,324,000</u>	\$837,347,000
Deduct Budgeted Stock Dividends:		
April through December 2009	<u>\$437,829,000</u>	<u>\$437,829,000</u>
<u>Projected Common Equity as of December 31, 2009</u>		<u>\$5,288,898,148</u>
Projected Average Common Equity For the 12 Months Ending December 31, 2009		\$5,060,600,717
Projected Retail Investment Separation Factor		88.79%
Projected Average Retail Common Equity For the 12 Months Ending December 31, 2009		\$4,493,307,377
Projected Retail Net Income For the 12 Months Ending December 31, 2009		\$580,571,959
Projected Retail Return On Average Common Equity For the 12 Months Ending December 31, 2009		12.92%

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The Common Equity as of March 31, 2009 (Actual) was adjusted using net income, payment of Common Stock and Preferred Stock dividends, Capital Contributions, and Other Adjustments from the Company's 2009 budget. The average common equity is a 12-month average using actual and budgeted data. The average retail common equity (RCE) was calculated using an estimated retail separation factor of 88.79%. The retail net income (RNI) for average common equity was calculated by using actual data for the three months ended March 31, 2009, and then adding nine months of budget data for April through December 2009. The Other Adjustments added to projected common equity is the result of the Company adopting FASB Statement 123 (R), which requires the reporting of stock option expenses.

The Forecast is subject to change due to uncertainties associated with weather, customer usage patterns, and economic conditions across the state.

ENERGY DIVISION

**Alabama Power Company  
Forecast of Energy Cost Recovery  
For the Period Ending December 31, 2009**

	Energy Cost (\$/MWH)		ECR Seasonal Factor (\$/MWH)	Over/(Under) Recovery	
	Month	12 Months Ended		Month (\$)	Cumulative (\$)
JAN 08 Act	28.46	27.63	29.472	(188,721)	(280,053,856)
FEB 08 Act	25.27	27.56	29.472	23,607,986	(256,445,869)
MAR 08 Act	20.74	27.41	29.472	34,208,587	(222,237,282)
APR 08 Act	22.45	27.02	29.472	29,229,360	(193,007,922)
MAY 08 Act	24.11	26.79	29.472	12,325,990	(180,681,932)
JUN 08 Act	36.34	27.59	33.418	(24,664,734)	(205,346,666)
JUL 08 Act	37.78	28.72	33.418	(33,878,517)	(239,225,183)
AUG 08 Act	37.80	28.92	33.418	(18,318,995)	(257,544,178)
SEP 08 Act	43.80	30.51	33.418	(43,112,535)	(300,656,713)
OCT 08 Act	37.79	31.10	37.866	(6,656,296)	(307,313,009)
NOV 08 Act	41.92	32.16	37.866	(21,274,681)	(328,587,690)
DEC 08 Act	33.40	32.80	37.866	22,954,887	(305,632,803)
JAN 09 Act	32.14	33.13	37.866	17,588,864	(288,043,939)
FEB 09 Act	29.23	33.48	37.866	46,249,431	(241,794,508)
MAR 09 Act	23.72	33.80	37.866	52,791,864	(189,002,644)
APR 09 Bud	40.32	35.13	37.866	(11,095,856)	(200,098,500)
MAY 09 Bud	35.21	36.06	37.866	(476,676)	(200,575,176)
JUN 09 Bud	39.51	36.35	42.937	12,712,143	(187,863,033)
JUL 09 Bud	42.53	36.83	42.937	(4,270,223)	(192,133,256)
AUG 09 Bud	44.24	37.50	42.937	(14,102,806)	(206,236,062)
SEP 09 Bud	38.19	36.98	42.937	45,775,446	(160,460,616)
OCT 09 Bud	35.42	36.79	37.866	12,968,258	(147,492,358)
NOV 09 Bud	36.57	36.40	37.866	3,826,528	(143,665,830)
DEC 09 Bud	37.67	36.74	37.866	(4,778,266)	(148,444,096)

The estimates used in the above table are subject to change due to uncertainties associated with weather, customer usage patterns, and economic conditions across the state.



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SECRETARY

### MEMORANDUM

DATE: April 23, 2009

TO: Commissioner Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker

FROM: Darrell A. Baker  
Telecommunications Division *DAB*

SUBJECT: Agenda for May 5, 2009 Commission Meeting.

The following items will be presented to the Commission during the regular May 5, 2009 Commission Meeting.

#### **INTERCONNECTION AGREEMENT (S)**

Docket U-4729 BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T ALABAMA or AT&T SOUTHEAST and TWO-WAY COMMUNICATIONS, INC. -- Approval of the Interconnection (Paging) Agreement negotiated by BellSouth Telecommunications, Inc. d/b/a AT&T Alabama and Two-way Communications, Inc., d/b/a 2-Way, Inc. pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.  
Recommend Approval.

#### **AMENDED INTERCONNECTION AGREEMENT (S)**

Docket U-3905 BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T ALABAMA or AT&T SOUTHEAST and IMAGE ACCESS, INC. d/b/a NEW PHONE -- Approval of an Amendment to the Interconnection Agreement negotiated by BellSouth Telecommunications, Inc. d/b/a AT&T Alabama and Image Access, Inc., d/b/a NewPhone pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.  
Recommend Approval.

Docket U-4777     BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T ALABAMA or AT&T SOUTHEAST and FIBERLINCS, LLC -- Approval of an Amendment to the Interconnection Agreement negotiated by BellSouth Telecommunications, Inc. d/b/a AT&T Alabama and Fiberlincs, LLC pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.

Recommend Approval.

Docket U-4911     ACCESS FIBER GROUP, INC. and BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T ALABAMA or AT&T SOUTHEAST -- Approval of an Amendment to the Interconnection Agreement negotiated by BellSouth Telecommunications, Inc. d/b/a AT&T Alabama and Access Fiber Group, Inc. pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.

Recommend Approval.

#### **RESALE AGREEMENT (S)**

Docket U-4198     BELLERUD COMMUNICATIONS, LLC and BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T ALABAMA or AT&T SOUTHEAST -- Approval of the Resale Agreement negotiated by BellSouth Telecommunications, Inc. d/b/a AT&T Alabama and Bellerud Communications, LLC pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.

Recommend Approval.

#### **CANCELLATION/WITHDRAWAL (S)**

Docket 30884     NexUSTel, LLC -- Cancels Certificate of Public Convenience and Necessity and withdraws tariff.

Recommend Approval.

#### **MISCELLANEOUS**

Docket 30934     ALL TELECOMMUNICATIONS COMPANIES -- Registration of Third-Party Providers for Telecommunications Billing. Third-Party Providers and Billing Aggregators request approval/deletion of their registration with the Commission for purposes of including their charges on the consumer bills of regulated telecommunications carriers.

Recommend Approval.

**SUMMARY OF OTHER FILING (S)**

- D-6441     THE CONTACT NETWORK, INC. d/b/a INLINE -- Increases rates for Basic Telephone Services by three percent and Optional Telephone Features by five percent in accordance with the provisions of the Communications Reform Act of 2005 and Docket 29733. Filed March 26, 2008, with a requested effective date of May 1, 2009.
- D-6442     EMBARQ COMMUNICATIONS, INC -- Changes the per-minute rate for Solutions w/ \$.07 LD No MRC plan to \$.09, and changes the name of the plan to EMBARQ Long Distance - 9 Cent Plan. Filed March 27, 2009, with a requested effective date of March 30, 2009.
- D-6443     TCG MIDSOUTH, INC. -- Increases the monthly recurring rates for high volume inbound options associated with PrimeConnect, PrimePlex PRI, and Prime on Integrated Network Connection Service business services. Filed March 31, 2009, with a requested effective date of April 1, 2009.
- D-6444     US LEC OF ALABAMA INCORPORATION d/b/a PAETEC BUSINESS SERVICES -- Introduces Direct Trunk Overflow, a termination option utilized when all DID trunks are in use. Filed March 31, 2009, with a requested effective date of April 30, 2009.
- D-6445     GULF TELEPHONE COMPANY d/b/a CENTURY TEL -- Amends the Transition Service Fund (TSF) to reflect access line growth in accordance with Dockets 24499, 24472, 24030, and 24865. Filed April 8, 2009, with a requested effective date of April 15, 2009.
- D-6446     BUDGET PREPAY, INC d/b/a BUDGET PHONE -- Revives monthly local exchange plan rates, increases the Service Activation Fee, and Directory Assistance rates, deletes several service plans, and makes textual changes. Filed April 10, 2009, with a requested effective date of April 15, 2009.
- D-6447     BLC MANAGEMENT, LLC d/b/a ANGLES COMMUNICATIONS SOLUTIONS -- Introduces Lifeline and Linkup Programs. These programs are designed to increase the availability of telecommunications services to low income subscribers. Filed April 15, 2009, with a requested effective date of May 16, 2009.

- D-6448     DELTACOM, INC. -- Makes minor textual changes to T-Remote language and Virtual Call Forwarding information. Filed March 19, 2009, with a requested effective date of March 21, 2009.
- D-6449     CHARTER FIBERLINK-ALABAMA, LLC -- Introduces Charter Business Voice Trunk Service, a local exchange private-dedicated access service. Introduces a Bill Copy Fee of \$1.99 for duplicate bill requests, reduces the Transfer of Service fee, and makes minor textual changes. Filed April 7, 2009, with a requested effective date of April 9, 2009.



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WALTER THOMAS JR.

SECRETARY

### MEMORANDUM

DATE: April 24, 2009

TO: Commission President Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker  
Division Directors

FROM: Legal Division

SUBJECT: Agenda - May 5, 2009 Commission Meeting

The Legal Division will present the following at the May 5, 2009 Commission Meeting:

**DOCKET C-15462** (M) - Petition of M & O Trucking, LLC for approval of cargo self-insurance.

**Recommend:** Approval

**DOCKET C-15463** (M) - Petition of M.E.E. Trucking, LLC for approval of cargo self-insurance.

**Recommend:** Approval

**DOCKET C-15400** (M) - Petition of LifeCare of Alabama, Inc. for reinstatement of Motor Carrier Certificate FNP B-07 which was revoked due to Petitioner's failure to maintain proper proof of liability insurance coverage.

**Recommend:** Grant/Reinstatement

**DOCKET 31031** (M) - Motor carrier application of Carbine Enterprises, Inc., d/b/a Quad Cities Taxi & Limousine Service. Certificate 3941 granted by Commission Order dated 1/6/2009. Applicant has failed to timely file proper proof of liability insurance coverage.

**Recommend:** Cancel on 30-days' notice.



**DOCKET 26820** (M) - Petition of Taunton Trucking Company, LLC for cancellation of Motor Carrier Certificate F1618.

**Recommend:** Grant cancellation as requested.

**DOCKET 24665** (M) - Petition of Wills Trucking, Inc. for cancellation of Motor Carrier Certificate F512.

**Recommend:** Grant cancellation as requested.

**DOCKET 29933** (M) - Petition of M & C Hauling, LLC for cancellation of Motor Carrier Certificate F3424.

**Recommend:** Grant cancellation as requested.



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SECRETARY

## MEMORANDUM

DATE: April 30, 2009

TO: Commission President Lucy Baxley  
Commissioner Jan Cook  
Commissioner Susan D. Parker  
Division Directors

FROM: Legal Division

SUBJECT: Supplemental Agenda (1) - May 5, 2009 Commission Meeting

The Legal Division will present the following at the May 5, 2009 Commission Meeting:

**DOCKET C-15464** (M) - Petition of Dwyane Maloy, d/b/a Lil' Dipper Construction for approval of cargo self-insurance.

**Recommend:** Approval

**DOCKET 31149** (M) - Motor carrier application of Mock Enterprises, LLC, d/b/a AMPRO for a certificate to transport household goods.

**Recommend:** Grant certificate and approval of tariff.

**DOCKET 29938** (M) - Petition of Wright Transportation of Birmingham, Inc. for cancellation of Motor Carrier Certificate F3427.

**Recommend:** Grant cancellation as requested.

**DOCKET 19475** (M) - Petition of Patton Leasing, Inc. for cancellation of Motor Carrier Certificate 3259.

**Recommend:** Grant cancellation as requested.

**DOCKET 29208** (M) - Petition of Johnny Thomas for cancellation of Motor Carrier Certificate 3831.

**Recommend:** Grant cancellation as requested.

**DOCKET 30993** (M) - Application of Total Holdings, Inc., d/b/a GTC Communications for a Certificate of Public Convenience and Necessity to provide Long Distance Resale Telecommunications Services in Alabama. Hearing held, no intervention, staff participated.

**Recommend:** Approval

**DOCKET 27256** (G) - Petition of Farmers Telecommunications Corporation ("Farmers") for an extension of time to file an interconnection agreement as required by the Commission's Order granting Farmers a CLEC Certificate.

**Recommend:** Grant of one-year extension.

**DOCKET 31107** (G) - Application of Entelegent Solutions, Inc. for a Certificate of Public Convenience and Necessity authorizing the provision of facilities-based and resold local exchange service and resold long distance service. A hearing on said application was held with staff participating.

**Recommend:** Grant